

2000 GENERAL ASSEMBLY

FB 2000-2002

CONFERENCE BUDGET REPORT ANALYSIS

F. FINANCE AND ADMINISTRATION

APRIL 14, 2000

2000 REGULAR SESSION
FB 2000-2002
CONFERENCE BUDGET REPORT ANALYSIS

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CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund Special	1,632,000	1,632,000	1,632,000						
General Fund	207,188,000	207,188,000	207,188,000	261,755,200	260,147,000	260,068,200	283,946,300	259,648,300	290,634,300
Restricted Funds	101,881,300	101,881,300	101,881,300	105,696,900	105,696,900	105,696,900	109,770,400	109,770,400	109,770,400
Federal Funds	58,132,000	58,132,000	58,132,000	58,148,000	58,148,000	58,148,000	58,197,000	58,197,000	58,197,000
Road Fund	270,000	270,000	270,000	3,942,000	277,000	3,942,000	3,951,000	283,000	3,951,000
Regular Total Funds	369,103,300	369,103,300	369,103,300	429,542,100	424,268,900	427,855,100	455,864,700	427,898,700	462,552,700
General Fund Continuing									
GRAND TOTAL FUNDS	369,103,300	369,103,300	369,103,300	429,542,100	424,268,900	427,855,100	455,864,700	427,898,700	462,552,700
II. EXPENDITURE CATEGORY									
Personnel Costs	69,760,700	69,760,700	69,760,700	71,791,400	71,791,400	71,791,400	75,048,500	75,048,500	75,048,500
Operating Expenses	113,617,400	113,617,400	113,617,400	118,855,400	116,021,400	118,855,400	122,142,500	117,455,500	122,142,500
Grants, Loans, Benefits	10,050,000	10,050,000	10,050,000	10,279,000	10,079,000	10,279,000	10,308,000	10,108,000	10,308,000
Debt Service	169,892,000	169,892,000	169,892,000	221,906,000	219,666,800	220,219,000	241,710,000	218,631,000	248,398,000
Capital Outlay	5,783,200	5,783,200	5,783,200	6,335,300	6,335,300	6,335,300	6,205,700	6,205,700	6,205,700
Construction				375,000	375,000	375,000	450,000	450,000	450,000
TOTAL EXPENDITURES	369,103,300	369,103,300	369,103,300	429,542,100	424,268,900	427,855,100	455,864,700	427,898,700	462,552,700
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	207,188,000	207,188,000	207,188,000	248,898,000	252,563,000	248,898,000	249,077,000	252,745,000	249,077,000
Restricted Funds	85,727,200	85,727,200	85,727,200	103,832,800	103,832,800	103,832,800	108,248,000	108,248,000	108,248,000
Federal Funds	58,132,000	58,132,000	58,132,000	58,148,000	58,148,000	58,148,000	58,197,000	58,197,000	58,197,000
Road Fund	270,000	270,000	270,000	3,942,000	277,000	3,942,000	3,951,000	283,000	3,951,000
Regular Total Funds	351,317,200	351,317,200	351,317,200	414,820,800	414,820,800	414,820,800	419,473,000	419,473,000	419,473,000
General Fund Continuing									
TOTAL BASE LEVEL	351,317,200	351,317,200	351,317,200	414,820,800	414,820,800	414,820,800	419,473,000	419,473,000	419,473,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund Special	1,632,000	1,632,000	1,632,000						
General Fund				12,857,200	7,584,000	11,170,200	34,869,300	6,903,300	41,557,300
Restricted Funds	16,154,100	16,154,100	16,154,100	1,864,100	1,864,100	1,864,100	1,522,400	1,522,400	1,522,400
TOTAL ADDITIONAL	17,786,100	17,786,100	17,786,100	14,721,300	9,448,100	13,034,300	36,391,700	8,425,700	43,079,700

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch:	Executive Branch			Agency: Finance and Administration					
Cabinet/Function:	Finance and Administration			Appropriation Unit:					
	<div>FY 1999-2000</div>			<div>FY 2000-2001</div>			<div>FY 2001-2002</div>		
	<div>House</div>	<div>Senate</div>	<div>Conference</div>	<div>House</div>	<div>Senate</div>	<div>Conference</div>	<div>House</div>	<div>Senate</div>	<div>Conference</div>
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
General Fund				820,000			820,000		
Restricted Funds				3,356,000 3,231,000 6,506,000			300,000 300,000 300,000		
Bond Funds				92,625,000 87,625,000 117,625,000					
Investment Income				7,089,000 7,089,000 7,089,000			3,875,000 3,875,000 3,875,000		
Other Funds				37,091,000 37,091,000 37,091,000					
Deferred Maintenance				4,000,000 4,000,000 4,000,000					
TOTAL CAPITAL				144,981,000 139,036,000 172,311,000			4,995,000 4,175,000 4,175,000		

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: General Administration

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	9,102,000	9,102,000	9,102,000	12,267,800	11,567,800	12,267,800	12,438,400	11,738,400	12,438,400
Restricted Funds	3,500,200	3,500,200	3,500,200	3,484,000	3,484,000	3,484,000	3,644,000	3,644,000	3,644,000
Federal Funds	58,132,000	58,132,000	58,132,000	58,148,000	58,148,000	58,148,000	58,197,000	58,197,000	58,197,000
Regular Total Funds	70,734,200	70,734,200	70,734,200	73,899,800	73,199,800	73,899,800	74,279,400	73,579,400	74,279,400
General Fund Continuing									
GRAND TOTAL FUNDS	70,734,200	70,734,200	70,734,200	73,899,800	73,199,800	73,899,800	74,279,400	73,579,400	74,279,400

II. EXPENDITURE CATEGORY

Personnel Costs	8,832,600	8,832,600	8,832,600	9,316,800	9,316,800	9,316,800	9,697,400	9,697,400	9,697,400
Operating Expenses	53,738,200	53,738,200	53,738,200	56,227,000	55,727,000	56,227,000	56,226,000	55,726,000	56,226,000
Grants, Loans, Benefits	8,000,000	8,000,000	8,000,000	8,200,000	8,000,000	8,200,000	8,200,000	8,000,000	8,200,000
Debt Service	28,000	28,000	28,000	27,000	27,000	27,000	27,000	27,000	27,000
Capital Outlay	135,400	135,400	135,400	129,000	129,000	129,000	129,000	129,000	129,000
TOTAL EXPENDITURES	70,734,200	70,734,200	70,734,200	73,899,800	73,199,800	73,899,800	74,279,400	73,579,400	74,279,400

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	9,102,000	9,102,000	9,102,000	9,672,000	9,672,000	9,672,000	9,811,000	9,811,000	9,811,000
Restricted Funds	3,500,200	3,500,200	3,500,200	3,137,500	3,137,500	3,137,500	3,295,200	3,295,200	3,295,200
Federal Funds	58,132,000	58,132,000	58,132,000	58,148,000	58,148,000	58,148,000	58,197,000	58,197,000	58,197,000
Regular Total Funds	70,734,200	70,734,200	70,734,200	70,957,500	70,957,500	70,957,500	71,303,200	71,303,200	71,303,200
General Fund Continuing									
TOTAL BASE LEVEL	70,734,200	70,734,200	70,734,200	70,957,500	70,957,500	70,957,500	71,303,200	71,303,200	71,303,200

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

General Fund				2,595,800	1,895,800	2,595,800	2,627,400	1,927,400	2,627,400
Restricted Funds				346,500	346,500	346,500	348,800	348,800	348,800
TOTAL ADDITIONAL				2,942,300	2,242,300	2,942,300	2,976,200	2,276,200	2,976,200

V. ADDITIONAL BUDGET ITEMS**2 EXPAN Customer Resource Center-Additional Personnel**

(750AA0X08) Provide funds to support personnel costs for 1 PFT position for process improvement support to other state agencies and to ensure agency savings under the MARS program.

General Fund	52,000	52,000	52,000	55,000	55,000	55,000
Total	52,000	52,000	52,000	55,000	55,000	55,000

3 EXPAN Office of Technology Operations-Additional Personnel, Operating and Capital Outlay

(750AA0X05) Provide funds to support personnel costs for 2 PFT positions and operating costs to address the current backlog of technology requests and to improve the overall infrastructure of the FAC.

**CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Finance and Administration

Agency: Finance and Administration
Appropriation Unit: General Administration

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
V. ADDITIONAL BUDGET ITEMS										
3	EXPAN	Office of Technology Operations-Additional Personnel, Operating and Capital Outlay								
(750AA0X05)		Provide funds to support personnel costs for 2 PFT positions and operating costs to address the current backlog of technology requests and to improve the overall infrastructure of the FAC.								
General Fund					188,000	188,000	188,000	192,000	192,000	192,000
Total					188,000	188,000	188,000	192,000	192,000	192,000
4	EXPAN	Administrative Policy and Audit-Additional Personnel and Operating								
(750AA0X02)		Provide funds to support 2 PFT positions to address the new policies and procedures necessary to support MARS.								
General Fund					91,000	91,000	91,000	81,000	81,000	81,000
Total					91,000	91,000	91,000	81,000	81,000	81,000
7	EXPAN	Secretary's Office-Affordable Housing Trust								
(750AA0X09)		Provide funds to support the Affordable Housing Trust loans and grants to assist with housing opportunities for very low income persons. Funds are required to be matched equally from the Kentucky Housing Corporation Housing Assistance Fund.								
General Fund					200,000		200,000	200,000		200,000
Total					200,000		200,000	200,000		200,000
8	EXPAN	Office of Technology Operations-Additional Operating								
(750AA0X03)		Provide funds to support increased operating expenditures.								
General Fund					28,000	28,000	28,000	43,000	43,000	43,000
Total					28,000	28,000	28,000	43,000	43,000	43,000
9	EXPAN	Office of the Controller-Maintenance Costs for MARS								
(758BA0X01)		Provide funds to support the ongoing computer maintenance costs associated with the new Management and Reporting System (MARS).								
General Fund					2,030,000	1,530,000	2,030,000	2,030,000	1,530,000	2,030,000
Total					2,030,000	1,530,000	2,030,000	2,030,000	1,530,000	2,030,000
10	NEW	Office of Financial Management-Water Resources Development								
(750AF0X02)		Provide funds to support personnel and operating costs for the Water Resources Development initiatives. (4 PFT)								
Restricted Funds					325,000	325,000	325,000	335,000	335,000	335,000
Total					325,000	325,000	325,000	335,000	335,000	335,000

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: General Administration

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
V. ADDITIONAL BUDGET ITEMS										
11	NEW Wage Equity Plan									
(750AAFX01)	Provide funds to support salary improvement.									
General Fund		6,800			6,800			26,400		
Restricted Funds		21,500			21,500			13,800		
Total		28,300			28,300			40,200		
TOTAL ADDITIONAL		2,942,300			2,242,300			2,976,200		

FB 2000-2002 BUDGET MODIFICATION REPORT

General Administration

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional support from the General Fund is provided for: maintenance costs associated with the Management and Reporting System (MARS) totaling \$2,030,000 in FY 2000-2001 and in FY 2001-2002; two additional PFT positions and operating costs for the Office of Technology Operations totaling \$188,000 in FY 2000-2001 and \$192,000 in FY 2001-2002; the Affordable Housing Trust Fund, to be equally matched from the Kentucky Housing Corporation Housing Assistance Fund, totaling \$200,000 in FY 2000-2001 and in FY 2001-2002; one additional PFT position for the Customer Resource Center totaling \$52,000 in FY 2000-2001 and \$55,000 in FY 2001-2002; to support increased operating costs for the Office of Technology totaling \$28,000 in FY 2000-2001 and \$43,000 in FY 2001-2002; and two additional PFT audit positions for the Division of Policy and Audit totaling \$91,000 in FY 2000-2001 and \$81,000 in FY 2001-2002. Restricted Funds totaling \$325,000 in FY 2000-2001 and \$335,000 in FY 2001-2002 are provided to support four PFT positions and operating costs for the Water Resources Development Program within the Office of Financial Management.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$169,000 in FY 2000-2001 and \$126,000 in FY 2001-2002, and Restricted Funds support totaling \$21,500 in FY 2000-2001 and \$13,800 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

*Funding support from reduced employer retirement contributions and vacancy credits is included in the Base Level Budget to support increased costs of existing operations.

The Branch Budget Bill, Part II, Capital Projects Budget, provides funding for the following capital projects: Bond Funds totaling \$50 million in FY 2000-2001 are provided for Water Resources Development grants and/or low interest loans and allows the use of funds to develop a program for construction of water projects, (The debt service for these bonds is provided from Phase I Tobacco Settlement funds included in the Office of the Governor.); additional Bond Funds totaling \$7 million in FY 2000-2001 are provided for the KIA Federally Assisted Wastewater Program (Fund A) and \$6 million in FY 2000-2001 are provided for the KIA Drinking Water Revolving Loan Fund (Fund F) for the required state match for the federal program. The Capital Projects Budget also includes funding in the Fund A Bond Funds for the state match necessary to receive Federal Funds for the Rural Communities Hardship Grants program administered by the Natural Resources and Environmental Cabinet; authorization for the KIA Fund A program to expend the cash balances from loan repayments on deposit at the trustee bank for financial assistance, in the form of low interest loans, to governmental agencies for professional planning and preliminary engineering design work required for eligible Fund A wastewater projects; authorization for the alternative construction of a new state office building in Franklin County, which may utilize design build, build-to-suit, or other lease/purchase alternatives; and reauthorization of \$4.4 million for the Red Fox Golf Course and \$10 million for the Pike County Civic Center.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

The House provides in Part II, Capital Projects Budget, reauthorizations for the Red Fox Golf Course (\$5.4 million from the General Fund), the Pike County Civic Center (\$10 million from the General Fund), the Meade County Waterline (\$2.5 million in Restricted Funds), the Hindman Sewer Infrastructure (\$3 million in Restricted Funds), the Midway Wastewater Treatment Plant (\$3.5 million in Restricted Funds), the Richmond Sewer Infrastructure (\$4 million in Restricted Funds), the West Louisville Environmental Justice/Air Pollution Project (\$300,000 from the General Fund), and the Estill County Board of Education project (\$75,000 from the General Fund). Additional Restricted Funds from the Kentucky

FB 2000-2002 BUDGET MODIFICATION REPORT

General Administration

Infrastructure Authority - Fund B Waterline/Sewer Grant Program are provided totaling \$650,000 for the Horton Camp Infrastructure at the Green River State Park, \$75,000 for the Fleming County Water Commission Multi-County Water Study, and \$50,000 for the Fleming County "201" Sewer Planning Study.

The House adds a language provision in Part II, Capital Projects Budget to authorize the Kentucky Infrastructure Authority to expend cash balances from loan repayments on deposit at the trustee bank for financial assistance to the listed projects in Fund B, in the form of a grant, notwithstanding KRS 224A.112. Language is added to require the project prioritization criteria established by the Kentucky Infrastructure Authority for the Water Resources Development Program to include consideration of whether the applicant has received written notice of a water system deficiency from the Natural Resources and Environmental Protection Cabinet.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$6,800 from the General Fund and Restricted funds totaling \$21,500 in FY 2000-2001 and \$26,400 from the General Fund and \$13,800 in Restricted Funds in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

SENATE REPORT

The Senate concurs with the House with the following changes:

The Senate provides General Fund support totaling \$1,530,000 in each fiscal year for maintenance costs associated with MARS, and does not provide additional funds to support the Affordable Housing Trust.

The Senate Part II, Capital Projects Budget provides Restricted Funds totaling \$650,000 in FY 2000-2001 from the Kentucky Infrastructure Authority Revolving Loan Fund (Fund B) for the Horton Camp Infrastructure project at the Green River State Park; and does not provide the authorization for the New State Office Building-Alternative Construction.

The Senate does not include the Part II, Capital Projects Budget, language provision requiring project prioritization criteria to be established by the Kentucky Infrastructure Authority for the Water Resources Development Program to include consideration of whether the applicant has received written notice of a water system deficiency from the Natural Resources and Environmental Protection Cabinet.

CONFERENCE REPORT

The Conference concurs with the House with the following changes:

The Conference Part II, Capital Projects Budget, provides authorization for the feasibility study for alternative construction of a new state office building.

Bond Funds totaling \$25 million are authorized for the Rural Development Bond Fund. Debt service for the Rural Development Bond Fund is provided in the General Fund - Tobacco appropriation in Part XI, Phase I Tobacco Settlement in the amount of \$1,258,000 in FY 2000-2001 and \$2,516,000 in FY 2001-2002.

Additional Restricted Funds are provided from the Kentucky Infrastructure Authority Revolving Loan Fund (Fund B) totaling \$3,150,000 for Greenup County water projects (\$100,000), Spurlock and Little Mud Creek water extension (\$300,000), Pike County Taylor Fork water line (\$50,000), Southern Madison Water District (\$200,000), Henderson County

FB 2000-2002
BUDGET MODIFICATION REPORT

General Administration

Water District (\$500,000), Lewis County Water & Sewer (\$500,000), Green County Water and Sewer (\$500,000), Larue County water line extension (\$750,000), and Carroll County water and sewer upgrades/expansion (\$250,000).

Reauthorization is provided totaling \$1 million in Restricted Funds for Improvements at Fishtrap Reservoir and redirects these funds to the Mountain Water District.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: General Administration

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE										
Restricted Funds					775,000	650,000	3,925,000			
Bond Funds					63,000,000	63,000,000	88,000,000			
TOTAL CAPITAL					63,775,000	63,650,000	91,925,000			
II. CAPITAL PROJECTS										
1 (7500219)	KIA Fund F-Drinking Water Revolving Loan Fund									
Bond Funds					6,000,000	6,000,000	6,000,000			
Total					6,000,000	6,000,000	6,000,000			
2 (7500218)	KIA Fund A-Federally Assisted Wastewater Program									
Bond Funds					7,000,000	7,000,000	7,000,000			
Total					7,000,000	7,000,000	7,000,000			
5 (7500222)	Pike County Civic Center (Reauthorization)									
Total										
6 (7500221)	Red Fox Golf Course (Reauthorization)									
Total										
7 (7500006)	KIA-Water Resources Development									
Bond Funds					50,000,000	50,000,000	50,000,000			
Total					50,000,000	50,000,000	50,000,000			
8 (7500007)	State Office Bldg-Alternative Const.-Senate: Delete; Conference: Feasibility Study									
Total										
9 (750AGA01)	Meade County Waterline Extension (Reauthorization)									
Total										
10 (750AGA02)	Hindman Sewer Infrastructure (Reauthorization)									
Total										

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: General Administration

FY 1999-2000			FY 2000-2001			FY 2001-2002		
House	Senate	Conference	House	Senate	Conference	House	Senate	Conference

II. CAPITAL PROJECTS

11	(750AGA03)	Midway Wastewater Treatment Plant (Reauthorization)						
Total								
12	(750AGA04)	Richmond Sewer Infrastructure (Reauthorization)						
Total								
13	(750AGA05)	West Louisville Environmental Justice/Air Pollution Project (Reauthorization)						
Total								
14	(750AGA06)	KIA-Fund B Waterline/Sewer Grant Program						
Restricted Funds			775,000	650,000	3,925,000			
Total			775,000	650,000	3,925,000			
15	(750AGA07)	Estill County Board of Education Project (Reauthorization)						
Total								
16	(750AGA08)	Improv. at Fishtrap Reservoir/Mountain Water District (Reauthorization/Reallocation)						
Total								
17	(750AGA09)	Rural Development Bond Fund						
Bond Funds					25,000,000			
Total					25,000,000			
TOTAL			63,775,000	63,650,000	91,925,000			

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: Debt Service

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	169,864,000	169,864,000	169,864,000	218,214,000	219,639,800	216,527,000	238,015,000	218,604,000	244,703,000
Road Fund				3,665,000		3,665,000	3,668,000		3,668,000
Regular Total Funds	169,864,000	169,864,000	169,864,000	221,879,000	219,639,800	220,192,000	241,683,000	218,604,000	248,371,000
General Fund Continuing									
GRAND TOTAL FUNDS	169,864,000	169,864,000	169,864,000	221,879,000	219,639,800	220,192,000	241,683,000	218,604,000	248,371,000
II. EXPENDITURE CATEGORY									
Debt Service	169,864,000	169,864,000	169,864,000	221,879,000	219,639,800	220,192,000	241,683,000	218,604,000	248,371,000
TOTAL EXPENDITURES	169,864,000	169,864,000	169,864,000	221,879,000	219,639,800	220,192,000	241,683,000	218,604,000	248,371,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	169,864,000	169,864,000	169,864,000	210,827,000	214,492,000	210,827,000	210,631,000	214,299,000	210,631,000
Road Fund				3,665,000		3,665,000	3,668,000		3,668,000
Regular Total Funds	169,864,000	169,864,000	169,864,000	214,492,000	214,492,000	214,492,000	214,299,000	214,299,000	214,299,000
General Fund Continuing									
TOTAL BASE LEVEL	169,864,000	169,864,000	169,864,000	214,492,000	214,492,000	214,492,000	214,299,000	214,299,000	214,299,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				7,387,000	5,147,800	5,700,000	27,384,000	4,305,000	34,072,000
TOTAL ADDITIONAL				7,387,000	5,147,800	5,700,000	27,384,000	4,305,000	34,072,000
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Cabinet Wide-New Debt Service								
(750BA0X01)	Provide debt service funds to support Bond Funds for KIA, Facilities Management, and the Community Development Program.								
General Fund				7,387,000	5,147,800	5,700,000	27,384,000	4,305,000	34,072,000
Total				7,387,000	5,147,800	5,700,000	27,384,000	4,305,000	34,072,000
TOTAL ADDITIONAL				7,387,000	5,147,800	5,700,000	27,384,000	4,305,000	34,072,000

FB 2000-2002 BUDGET MODIFICATION REPORT

Debt Service

BRANCH BUDGET

The Branch Budget recommends funding totaling \$210,827,000 from the General Fund and \$3,665,000 from the Road Fund in FY 2000-2001 and \$210,631,000 from the General Fund and \$3,668,000 from the Road Fund in FY 2001-2002 to support existing debt for previously authorized bonds for multiple agency capital projects. The Road Fund support provides debt service for Economic Development bonds that have previously received support from the General Fund.

Additional funds totaling \$7,387,000 in FY 2000-2001 from the General Fund provide an estimated 10% of the debt service required for multiple agency recommended Bond Funds.

Additional funds totaling \$27,455,000 in FY 2001-2002 from the General Fund provide support for \$13 million in new bonds for the Kentucky Infrastructure Authority programs, \$73.3 million in new bonds for Facilities Management related projects, and \$185 million in new bonds for Community Development projects.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

The House provides debt service funds totaling \$7,387,000 in FY 2000-2001 and \$27.3 million from the General Fund in FY 2000-2001 to support Bond Funds totaling \$13 million for the Kentucky Infrastructure Authority, \$29.6 million for Facilities Management, and \$225 million for Community Development Projects.

SENATE REPORT

The Senate concurs with the House with the following changes:

The Senate provides debt service funds totaling \$214,492,000 in FY 2000-2001 and \$214,299,000 in FY 2001-2002 from the General Fund to support previously authorized bonds for multiple agency capital projects.

The Senate provides additional funds totaling \$5,147,800 in FY 2000-2001 from the General Fund which represents an estimated 10% of the debt service required for multiple agency recommended Bond Funds and will enable the Asset Liability Commission to issue interim financing for projects until the respective bonds are issued. Debt service funds totaling \$4,305,000 in FY 2001-2002 are provided from the General Fund to support Bond Funds totaling \$63 million for the Kentucky Infrastructure Authority and \$24.6 million for Facilities Management.

CONFERENCE REPORT

The Conference concurs with the House with the following change:

The Conference provides additional funds totaling \$5,700,000 in FY 2000-2001 from the General Fund which represents an estimated 10% of the debt service required for multiple agency recommended Bond Funds and will enable the Asset Liability Commission to issue interim financing for projects until the respective bonds are issued. Debt service funds totaling \$34,072,000 in FY 2001-2002 are provided from the General Fund to support Bond Funds totaling \$63 million for the Kentucky Infrastructure Authority, \$29.6 million for Facilities Management projects, and \$271.8 million for Community Development Projects.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: Administration

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	3,671,000	3,671,000	3,671,000	3,776,100	3,776,100	3,776,100	3,789,600	3,789,600	3,789,600
Restricted Funds	8,671,000	8,671,000	8,671,000	9,039,000	9,039,000	9,039,000	9,121,000	9,121,000	9,121,000
Road Fund	270,000	270,000	270,000	277,000	277,000	277,000	283,000	283,000	283,000
Regular Total Funds	12,612,000	12,612,000	12,612,000	13,092,100	13,092,100	13,092,100	13,193,600	13,193,600	13,193,600
General Fund Continuing									
GRAND TOTAL FUNDS	12,612,000	12,612,000	12,612,000	13,092,100	13,092,100	13,092,100	13,193,600	13,193,600	13,193,600

II. EXPENDITURE CATEGORY

Personnel Costs	7,880,200	7,880,200	7,880,200	7,771,100	7,771,100	7,771,100	8,060,600	8,060,600	8,060,600
Operating Expenses	4,188,800	4,188,800	4,188,800	4,448,000	4,448,000	4,448,000	4,483,000	4,483,000	4,483,000
Capital Outlay	543,000	543,000	543,000	498,000	498,000	498,000	200,000	200,000	200,000
Construction				375,000	375,000	375,000	450,000	450,000	450,000
TOTAL EXPENDITURES	12,612,000	12,612,000	12,612,000	13,092,100	13,092,100	13,092,100	13,193,600	13,193,600	13,193,600

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	3,671,000	3,671,000	3,671,000	3,690,000	3,690,000	3,690,000	3,696,000	3,696,000	3,696,000
Restricted Funds	8,671,000	8,671,000	8,671,000	8,259,300	8,259,300	8,259,300	8,480,000	8,480,000	8,480,000
Road Fund	270,000	270,000	270,000	277,000	277,000	277,000	283,000	283,000	283,000
Regular Total Funds	12,612,000	12,612,000	12,612,000	12,226,300	12,226,300	12,226,300	12,459,000	12,459,000	12,459,000
General Fund Continuing									
TOTAL BASE LEVEL	12,612,000	12,612,000	12,612,000	12,226,300	12,226,300	12,226,300	12,459,000	12,459,000	12,459,000

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

General Fund				86,100	86,100	86,100	93,600	93,600	93,600
Restricted Funds				779,700	779,700	779,700	641,000	641,000	641,000
TOTAL ADDITIONAL				865,800	865,800	865,800	734,600	734,600	734,600

V. ADDITIONAL BUDGET ITEMS**2 EXPAN Division of Creative Services-Media Equipment**

(775CC0X01) Provide funds to support the purchase of photography equipment, sound and press media equipment, video recorders and players, and a digital camera to replace obsolete equipment and to update the technology of the Division.

Restricted Funds	68,000	68,000	68,000	21,000	21,000	21,000
Total	68,000	68,000	68,000	21,000	21,000	21,000

3 EXPAN Division of Postal Services-High Speed Inserter and Mailing Machines

(775CL0X01) Provide funds to support the purchase two high speed inserters (\$300,000 each) and three automatic mailing machines.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Finance and Administration

Agency: Finance and Administration
Appropriation Unit: Administration

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
V. ADDITIONAL BUDGET ITEMS										
3	EXPAN	Division of Postal Services-High Speed Inserter and Mailing Machines								
(775CL0X01)	Provide funds to support the purchase two high speed inserters (\$300,000 each) and three automatic mailing machines.									
Restricted Funds					375,000	375,000	375,000	300,000	300,000	300,000
Total					375,000	375,000	375,000	300,000	300,000	300,000
4	EXPAN	Division of Occupations and Professions-Additional Office Space and Personnel								
(775CE0X03)	Provide funds to support personnel costs for 1 additional PFT positions and operating costs for rental charges for additional office space.									
General Fund					74,000	74,000	74,000	78,000	78,000	78,000
Total					74,000	74,000	74,000	78,000	78,000	78,000
5	EXPAN	Division of Occupations and Professions-License Verification System								
(775CE0X04)	Provide funds to support the procurement of technology capable of providing 14 health-related boards the ability to comply with HIPDA disciplinary action reporting requirements.									
Restricted Funds					95,000	95,000	95,000			
Total					95,000	95,000	95,000			
7	EXPAN	Division of Printing-Collating Equipment								
(775CK0X01)	Provide funds to support the purchase of two collators.									
Restricted Funds					40,000	40,000	40,000	40,000	40,000	40,000
Total					40,000	40,000	40,000	40,000	40,000	40,000
8	EXPAN	Division of Printing-Direct to Plate System (Equipment Purchase)								
(775CK0X02)	Provide funds to support the conversion of the current metal press plating to polyester plates.									
Restricted Funds					58,000	58,000	58,000			
Total					58,000	58,000	58,000			
9	EXPAN	Division of Printing-Network Publishing Equipment								
(775CK0X03)	Provide funds to support the purchase of network publishing equipment to enable hard copy to be scanned or received over the wide area network.									
Restricted Funds					125,000	125,000	125,000	250,000	250,000	250,000
Total					125,000	125,000	125,000	250,000	250,000	250,000

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch:	Executive Branch			Agency:			Finance and Administration		
Cabinet/Function:	Finance and Administration			Appropriation Unit:			Administration		

FB 2000-2002 BUDGET MODIFICATION REPORT

Administration

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Restricted Funds totaling \$375,000 in FY 2000-2001 and \$300,000 in FY 2001-2002 are provided for three mail metering machines and two high speed inserter machines for the Division of Postal Services, (The State Surplus Property Program will transfer \$300,000 from excess Restricted Funds to the Division of Postal Services for the acquisition of one of the high-speed inserter machines); General Fund support totaling \$20,000 in FY 2000-2001 and in FY 2001-2002 is provided for the relocation of office space for the Division of Creative Services; Restricted Funds totaling \$68,000 in FY 2000-2001 and \$21,000 in FY 2001-2002 are provided for new media equipment for the Division of Creative Services; Additional support from the General Fund totaling \$74,000 in FY 2000-2001 and \$78,000 in FY 2001-2002 is provided for one additional PFT position and to relocate the Division of Occupations and Professions to new office space; Additional Restricted Funds totaling \$95,000 in FY 2000-2001 from the State Surplus Property Program are provided for a License Verification System for the Division of Occupations and Professions; Restricted Funds totaling \$223,000 in FY 2000-2001 and \$290,000 in FY 2001-2002 are provided for two collators, a direct to plate system and network publishing equipment for the Division of Printing.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$44,000 in FY 2000-2001 and \$35,000 in FY 2001-2002 and Restricted Funds support totaling \$67,700 in FY 2000-2001 and \$54,100 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

*Funding support from reduced employer retirement contributions and vacancy credits is included in the Base Level Budget to support increased costs of existing operations.

The Branch Budget Bill, Part II, Capital Projects Budget, provides funding for the following capital projects and equipment purchases:

Restricted Funds totaling \$600,000 in FY 2000-2001 for two High Speed Inserter machines; \$581,000 in FY 2000-2001 for Network Publishing Equipment; and reauthorization of \$390,700 for Bar Code Printing and Sorting Equipment.

The Branch Budget Bill, Part II, Capital Projects Budget, includes a language provision that directs: For the major equipment purchases displayed in this section as Restricted Funds supported projects, it is anticipated that these funds shall be transferred from the Operating Budget as funds are available and needed.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes the lease of real property in Franklin County with a cost that exceeds \$200,000 per year.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$12,100 from the General Fund and \$18,700 in Restricted Funds in FY 2000-2001 and \$15,600 from the General Fund and \$30,000 in Restricted Funds in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

FB 2000-2002
BUDGET MODIFICATION REPORT

Administration

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and the Senate.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: Administration

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				1,181,000	1,181,000	1,181,000			
TOTAL CAPITAL				1,181,000	1,181,000	1,181,000			
II. CAPITAL PROJECTS									
1 (7751199) Division of Postal Services-High Speed Inserter									
Restricted Funds				600,000	600,000	600,000			
Total				600,000	600,000	600,000			
2 (7750217) Division of Printing-Network Publishing Equipment									
Restricted Funds				581,000	581,000	581,000			
Total				581,000	581,000	581,000			
3 (7751204) Division of Printing-Lease (Franklin County)									
Total									
4 (7751202) Postal Services-Lease (Franklin County)									
Total									
5 (7751205) Postal Services-Bar Code Printing and Sorting Equipment (Reauthorization)									
Total									
TOTAL				1,181,000	1,181,000	1,181,000			

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Finance and Administration

Agency: Finance and Administration
Appropriation Unit: Facilities Management

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	8,365,000	8,365,000	8,365,000	8,598,300	8,598,300	8,598,300	8,822,300	8,822,300	8,822,300
Restricted Funds	20,458,000	20,458,000	20,458,000	20,634,000	20,634,000	20,634,000	21,014,000	21,014,000	21,014,000
Regular Total Funds	28,823,000	28,823,000	28,823,000	29,232,300	29,232,300	29,232,300	29,836,300	29,836,300	29,836,300
General Fund Continuing									
GRAND TOTAL FUNDS	28,823,000	28,823,000	28,823,000	29,232,300	29,232,300	29,232,300	29,836,300	29,836,300	29,836,300
II. EXPENDITURE CATEGORY									
Personnel Costs	16,756,600	16,756,600	16,756,600	17,585,300	17,585,300	17,585,300	18,259,300	18,259,300	18,259,300
Operating Expenses	11,506,400	11,506,400	11,506,400	11,547,000	11,547,000	11,547,000	11,477,000	11,477,000	11,477,000
Capital Outlay	560,000	560,000	560,000	100,000	100,000	100,000	100,000	100,000	100,000
TOTAL EXPENDITURES	28,823,000	28,823,000	28,823,000	29,232,300	29,232,300	29,232,300	29,836,300	29,836,300	29,836,300
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	8,365,000	8,365,000	8,365,000	8,494,000	8,494,000	8,494,000	8,695,000	8,695,000	8,695,000
Restricted Funds	20,458,000	20,458,000	20,458,000	19,896,100	19,896,100	19,896,100	20,481,400	20,481,400	20,481,400
Regular Total Funds	28,823,000	28,823,000	28,823,000	28,390,100	28,390,100	28,390,100	29,176,400	29,176,400	29,176,400
General Fund Continuing									
TOTAL BASE LEVEL	28,823,000	28,823,000	28,823,000	28,390,100	28,390,100	28,390,100	29,176,400	29,176,400	29,176,400
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				104,300	104,300	104,300	127,300	127,300	127,300
Restricted Funds				737,900	737,900	737,900	532,600	532,600	532,600
TOTAL ADDITIONAL				842,200	842,200	842,200	659,900	659,900	659,900
V. ADDITIONAL BUDGET ITEMS									
2 EXPAN	Building Services & Mechanical Maintenance-Additional Personnel & Operating Costs								
(785DF0X01)	Provide funds to support 8 PFT personnel positions and related operating costs for planned reorganization of the Division.								
Restricted Funds				238,000	238,000	238,000	333,000	333,000	333,000
Total				238,000	238,000	238,000	333,000	333,000	333,000
3 EXPAN	Contracting and Administration-Assistant Director Position								
(785DA0X05)	Provide funds to support an Assistant Director's position (1 PFT).								
Restricted Funds				76,000	76,000	76,000	80,000	80,000	80,000
Total				76,000	76,000	76,000	80,000	80,000	80,000

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: Facilities Management

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
V. ADDITIONAL BUDGET ITEMS										
4	EXPAN	Real Property-Facilities Management Database								
(785DA0X06)		Provide funds to support 2 PFT positions, software, and maintenance to establish and maintain a Facilities Management Database of all state-owned facilities.								
General Fund					72,000	72,000	72,000	76,000	76,000	76,000
Restricted Funds					340,000	340,000	340,000			
Total					412,000	412,000	412,000	76,000	76,000	76,000
6	NEW	Wage Equity Plan								
(785DA0X07)		Provide funds to support salary improvement.								
General Fund					32,300	32,300	32,300	51,300	51,300	51,300
Restricted Funds					83,900	83,900	83,900	119,600	119,600	119,600
Total					116,200	116,200	116,200	170,900	170,900	170,900
TOTAL ADDITIONAL					842,200	842,200	842,200	659,900	659,900	659,900

FB 2000-2002 BUDGET MODIFICATION REPORT

Facilities Management

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support totaling \$72,000 in FY 2000-2001 and \$76,000 in FY 2001-2002 is provided for two PFT positions to maintain and update the Facilities Management Database of all state-owned facilities; additional Restricted Funds totaling \$340,000 in FY 2000-2001 are provided to fund the Facilities Management System; additional Restricted Funds totaling \$76,000 in FY 2000-2001 and \$80,000 in FY 2001-2002 are provided to fund one PFT position in Contacting and Administration; and \$238,000 in FY 2000-2001 and \$333,000 in FY 2001-2002 are provided to fund eight PFT security technician positions.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$74,000 in FY 2000-2001 and \$96,000 in FY 2001-2002 and Restricted Funds support totaling \$192,000 in FY 2000-2001 and \$222,800 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

*Funding support from reduced employer retirement contributions and vacancy credits is included in the Base Level Budget to support increased costs of existing operations.

The Branch Budget Bill, Part II, Capital Projects Budget, provides funding for the following capital projects and equipment purchases:

Bond Fund supported projects totaling \$73,250,000 in FY 2000-2001, which include Statewide Land Acquisition/Demolition (\$5 million), Kentucky State Capitol Restoration Design (\$8.55 million), Executive Office Building (\$20.5 million), Sprinkler Recall Replacement (\$1.5 million), Capitol Complex Infrastructure (\$33.7 million), and History Center Area Restoration (\$4 million); Investment Income funds totaling \$7.5 million in FY 2000-2001 for the Capital Construction, Equipment Purchase Contingency Fund; Investment Income funds totaling \$3,375,000 in FY 2000-2001 and \$3,875,000 in FY 2001-2002 and Restricted Funds totaling \$1,400,000 in FY 2000-2001 and \$300,000 in FY 2001-2002 for the Miscellaneous Maintenance Pool. The Council on State Government will contribute \$900,000 in FY 2000-2001 and \$300,000 in FY 2001-2002 of the total Restricted Funds amount for the Miscellaneous Maintenance Pool.

The Branch Budget Bill, Part II, Capital Projects Budget, also includes Investment Income funds totaling \$1 million in FY 2000-2001 for the Statewide Deferred Maintenance Pool. (The Capital Budget recommendation provides funding from the Statewide Deferred Maintenance Pool for specified multiple agency projects totaling \$7.2 million.) The Statewide Deferred Maintenance Pool has a current balance of approximately \$6.5 million. The Finance and Administration Cabinet projects funded from the Statewide Deferred Maintenance Pool total \$4 million and include: Elevator/Escalator Modernization in State Buildings (\$2 million), Federally Mandated CFC Phase-out (\$1 million), and ADA Compliance Requirements in State Buildings (\$1 million).

The Branch Budget Bill, Part II, Capital Projects Budget, also includes Investment Income funds totaling \$3,714,000 in FY 2000-2001 and \$1,500,000 in FY 2001-2002 for the Emergency Repair, Maintenance and Replacement Fund. (The Capital Budget recommendation provides funds totaling \$2.2 million in FY 1999-2000 and \$5.4 million in FY 2000-2001 from the Emergency Repair, Maintenance and Replacement Fund for specific projects outside of the Finance and Administration Cabinet budget.) The Emergency Repair, Maintenance and Replacement Fund has a current balance of approximately \$16.8 million.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

FB 2000-2002 BUDGET MODIFICATION REPORT

Facilities Management

The House provides in Part II, Capital Projects Budget, Bond Funds totaling \$19,125,000 for the Kentucky State Capitol-Historic Restoration Design which is expanded to include the Capitol Complex and infrastructure design. Funds are not provided for the Executive Branch Office Building-Franklin County and the Capitol Complex Infrastructure. Support from Investment Income for the Capital Construction Equipment Purchase Contingency Fund totals \$714,000 in FY 2000-2001, and for the Capital Construction Equipment Purchase Contingency Fund totaling \$2 million in FY 2000-2001. The House provides General Fund support totaling \$820,000 in each year for the Transit Authority of River City Light Rail Project.

The House adds Part III, General Provisions, language to allow allocations from the Capital Construction and Equipment Purchase Contingency Account to be used for Technology Trust Fund projects and systems, but notwithstanding KRS 45.770 and 45.800, the total amount of allocations from the Account for Technology Trust Fund projects and systems shall not exceed \$2,500,000."

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$32,300 from the General Fund and \$83,900 in Restricted Funds in FY 2000-2001 and \$51,300 from the General Fund and \$119,600 in Restricted Funds in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

SENATE REPORT

The Senate concurs with the House with the following changes:

The Senate amends Part II, Capital Projects Budget, to delete Bond Funds totaling \$5 million in FY 2000-2001 for Land Acquisition/Demolition-Statewide, and General Fund support totaling \$820,000 in each year for the Transit Authority of River City-Light Rail Project.

CONFERENCE REPORT

The Conference concurs with the House with the following change:

The Conference amends Part II, Capital Projects Budget, to delete duplicated General Fund support totaling \$820,000 in each year for the Transit Authority of River City-Light Rail Project which is budgeted in the Transportation Cabinet.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Finance and Administration

Agency: Finance and Administration
Appropriation Unit: Facilities Management

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
General Fund				820,000			820,000		
Restricted Funds				1,400,000	1,400,000	1,400,000	300,000	300,000	300,000
Bond Funds				29,625,000	24,625,000	29,625,000			
Investment Income				7,089,000	7,089,000	7,089,000	3,875,000	3,875,000	3,875,000
Deferred Maintenance				4,000,000	4,000,000	4,000,000			
TOTAL CAPITAL				42,934,000	37,114,000	42,114,000	4,995,000	4,175,000	4,175,000

II. CAPITAL PROJECTS

1 (7851209)	Emergency Repair, Maintenance & Replacement Fund								
Investment Income				714,000	714,000	714,000			
Total				714,000	714,000	714,000			
2 (7851207)	Capital Construction Equipment Purchase Contingency Fund								
Investment Income				2,000,000	2,000,000	2,000,000			
Total				2,000,000	2,000,000	2,000,000			
3 (7851212)	Miscellaneous Maintenance Pool								
Restricted Funds				1,400,000	1,400,000	1,400,000	300,000	300,000	300,000
Investment Income				3,375,000	3,375,000	3,375,000	3,875,000	3,875,000	3,875,000
Total				4,775,000	4,775,000	4,775,000	4,175,000	4,175,000	4,175,000
4 (7851208)	Statewide Deferred Maintenance Pool								
Investment Income				1,000,000	1,000,000	1,000,000			
Total				1,000,000	1,000,000	1,000,000			
5 (7851215)	KY State Capitol Complex-Historic Restoration Design Infrastructure								
Bond Funds				19,125,000	19,125,000	19,125,000			
Total				19,125,000	19,125,000	19,125,000			
8 (7851217)	Executive Branch Office Building-Franklin County (BRANCH: \$22.5 M Bond Funds)								
Total									
9 (7851218)	Sprinkler Recall/Replacement								
Bond Funds				1,500,000	1,500,000	1,500,000			
Total				1,500,000	1,500,000	1,500,000			
10 (7850228)	Land Acquisition/Demolition-Statewide								

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: Facilities Management

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
II. CAPITAL PROJECTS										
10	(7850228) Land Acquisition/Demolition-Statewide									
Bond Funds					5,000,000		5,000,000			
Total					5,000,000		5,000,000			
17	(7850227) State-Owned Buildings-ADA Compliance Requirements									
Deferred Maintenance					1,000,000	1,000,000	1,000,000			
Total					1,000,000	1,000,000	1,000,000			
18	(7850222) State-Owned Buildings-Elevator/Escalator Modernization									
Deferred Maintenance					2,000,000	2,000,000	2,000,000			
Total					2,000,000	2,000,000	2,000,000			
19	(7850225) Federally-Mandated CFC Phaseout									
Deferred Maintenance					1,000,000	1,000,000	1,000,000			
Total					1,000,000	1,000,000	1,000,000			
21	(7851220) Capital Complex Infrastructure (BRANCH: \$33.7 M Bond Funds)									
Total										
22	(7851221) History Center Area Restoration									
Bond Funds					4,000,000	4,000,000	4,000,000			
Total					4,000,000	4,000,000	4,000,000			
23	(785GA01) Transit Authority of River City-Light Rail Project									
General Fund					820,000			820,000		
Total					820,000			820,000		
TOTAL					42,934,000	37,114,000	42,114,000	4,995,000	4,175,000	4,175,000

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: County Costs

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund Special	1,632,000	1,632,000	1,632,000						
General Fund	16,186,000	16,186,000	16,186,000	18,899,000	16,565,000	18,899,000	20,881,000	16,694,000	20,881,000
Restricted Funds	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000
Regular Total Funds	19,145,000	19,145,000	19,145,000	20,226,000	17,892,000	20,226,000	22,208,000	18,021,000	22,208,000
General Fund Continuing									
GRAND TOTAL FUNDS	19,145,000	19,145,000	19,145,000	20,226,000	17,892,000	20,226,000	22,208,000	18,021,000	22,208,000
II. EXPENDITURE CATEGORY									
Personnel Costs	755,000	755,000	755,000	855,000	855,000	855,000	955,000	955,000	955,000
Operating Expenses	16,340,000	16,340,000	16,340,000	17,292,000	14,958,000	17,292,000	19,145,000	14,958,000	19,145,000
Grants, Loans, Benefits	2,050,000	2,050,000	2,050,000	2,079,000	2,079,000	2,079,000	2,108,000	2,108,000	2,108,000
TOTAL EXPENDITURES	19,145,000	19,145,000	19,145,000	20,226,000	17,892,000	20,226,000	22,208,000	18,021,000	22,208,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	16,186,000	16,186,000	16,186,000	16,215,000	16,215,000	16,215,000	16,244,000	16,244,000	16,244,000
Restricted Funds	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000	1,327,000
Regular Total Funds	17,513,000	17,513,000	17,513,000	17,542,000	17,542,000	17,542,000	17,571,000	17,571,000	17,571,000
General Fund Continuing									
TOTAL BASE LEVEL	17,513,000	17,513,000	17,513,000	17,542,000	17,542,000	17,542,000	17,571,000	17,571,000	17,571,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund Special	1,632,000	1,632,000	1,632,000						
General Fund				2,684,000	350,000	2,684,000	4,637,000	450,000	4,637,000
TOTAL ADDITIONAL	1,632,000	1,632,000	1,632,000	2,684,000	350,000	2,684,000	4,637,000	450,000	4,637,000
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	County Costs-Public Defender Program								
(759CA0X01)	Provide additional funds to support increased operating costs resulting from a needy defendant's motion for funding assistance.								
General Fund	250,000	250,000	250,000	350,000	350,000	350,000	450,000	450,000	450,000
Total	250,000	250,000	250,000	350,000	350,000	350,000	450,000	450,000	450,000
2 EXPAN	County Costs-Sheriff's Fees								
(759MD0X01)	Provide funds to support increased operating expenses due to additional security duties incurred as a result of manning new court facilities and metal detectors at the court facilities.								

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Cabinet/Function: Finance and Administration

Agency: Finance and Administration

Appropriation Unit: County Costs

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
V. ADDITIONAL BUDGET ITEMS										
2	EXPAN	County Costs-Sheriff's Fees								
(759MD0X01)	Provide funds to support increased operating expenses due to additional security duties incurred as a result of manning new court facilities and metal detectors at the court facilities.									
General Fund		1,382,000	1,382,000	1,382,000	2,334,000		2,334,000	4,187,000		4,187,000
Total		1,382,000	1,382,000	1,382,000	2,334,000		2,334,000	4,187,000		4,187,000
TOTAL ADDITIONAL		1,632,000	1,632,000	1,632,000	2,684,000	350,000	2,684,000	4,637,000	450,000	4,637,000

FB 2000-2002 BUDGET MODIFICATION REPORT

County Costs

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional support is provided from the General Fund totaling \$1,382,000 in FY 1999-2000, \$2,334,000 in FY 2000-2001, and \$4,187,000 in FY 2001-2002 for the Sheriff's Fees Unit for increased security requirements at existing and new court facilities; additional Restricted Funds are provided totaling \$250,000 in FY 1999-2000, \$350,000 in FY 2000-2001, and \$450,000 in FY 2001-2002 for the Public Defender Program.

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs: Funds required to pay County Costs other than Base Court Revenue funded by the General Fund are appropriated and additional funds may be allotted from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

HOUSE REPORT

The House concurs with the Branch Budget recommendation.

SENATE REPORT

The Senate concurs with the House with the following change:

The Senate does not provide additional General Fund support for Sheriff's Fees totaling \$2,334,000 in FY 2000-2001 and \$4,187,000 in FY 2001-2002.

CONFERENCE REPORT

The Conference concurs with the House with the following change:

The Senate adds Part I, Operating Budget, language which states Notwithstanding KRS 23A.205, as amended by Senate Bill 326 of the 2000 Regular Session of the General Assembly; KRS 64.092; or any other statute to the contrary, the Circuit Clerk shall monthly pay \$7 from each court cost collected pursuant to subsection (1) of KRS 23A.205 to the Finance and Administration Cabinet for the purpose of compensating sheriffs on a statewide basis for attending court and providing security services in compliance with KRS 64.092.

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CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Finance and Administration

Agency: Finance and Administration
Appropriation Unit: County Fees

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	67,925,100	67,925,100	67,925,100	71,212,900	71,212,900	71,212,900	74,664,400	74,664,400	74,664,400
Regular Total Funds	67,925,100	67,925,100	67,925,100	71,212,900	71,212,900	71,212,900	74,664,400	74,664,400	74,664,400
General Fund Continuing									
GRAND TOTAL FUNDS	67,925,100	67,925,100	67,925,100	71,212,900	71,212,900	71,212,900	74,664,400	74,664,400	74,664,400
II. EXPENDITURE CATEGORY									
Personnel Costs	35,536,300	35,536,300	35,536,300	36,263,200	36,263,200	36,263,200	38,076,200	38,076,200	38,076,200
Operating Expenses	27,844,000	27,844,000	27,844,000	29,341,400	29,341,400	29,341,400	30,811,500	30,811,500	30,811,500
Capital Outlay	4,544,800	4,544,800	4,544,800	5,608,300	5,608,300	5,608,300	5,776,700	5,776,700	5,776,700
TOTAL EXPENDITURES	67,925,100	67,925,100	67,925,100	71,212,900	71,212,900	71,212,900	74,664,400	74,664,400	74,664,400
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	51,771,000	51,771,000	51,771,000	71,212,900	71,212,900	71,212,900	74,664,400	74,664,400	74,664,400
Regular Total Funds	51,771,000	51,771,000	51,771,000	71,212,900	71,212,900	71,212,900	74,664,400	74,664,400	74,664,400
General Fund Continuing									
TOTAL BASE LEVEL	51,771,000	51,771,000	51,771,000	71,212,900	71,212,900	71,212,900	74,664,400	74,664,400	74,664,400
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds	16,154,100	16,154,100	16,154,100						
TOTAL ADDITIONAL	16,154,100	16,154,100	16,154,100						
V. ADDITIONAL BUDGET ITEMS									
1 EXPRFR Various Counties-Increased County Fees									
(CAMCCX01) Provide funds to support increased personnel and operating expenses incurred by the County Clerks and Sheriffs participating in the County Fees Program.									
Restricted Funds	16,154,100	16,154,100	16,154,100						
Total	16,154,100	16,154,100	16,154,100						
TOTAL ADDITIONAL	16,154,100	16,154,100	16,154,100						

**FB 2000-2002
BUDGET MODIFICATION REPORT**

County Fees

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:
Additional Restricted Funds totaling \$16,154,100 in FY 1999-2000 are provided for increased personnel and operating costs incurred by the County Clerks and Sheriffs participating in the County Fees Program.

HOUSE REPORT

The House concurs with the Branch Budget recommendation.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and the Senate.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Finance and Administration

Cabinet/Function: Finance and Administration

Appropriation Unit: Ky Lottery Corporation

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE										
Other Funds					37,091,000	37,091,000	37,091,000			
TOTAL CAPITAL					37,091,000	37,091,000	37,091,000			
II. CAPITAL PROJECTS										
1 (0811411)	Contingency on Property									
Other Funds					2,500,000	2,500,000	2,500,000			
Total					2,500,000	2,500,000	2,500,000			
2 (0811412)	Instant Ticket Vending Machines									
Other Funds					2,125,000	2,125,000	2,125,000			
Total					2,125,000	2,125,000	2,125,000			
3 (0811413)	Buyout of Online Gaming System									
Other Funds					18,450,000	18,450,000	18,450,000			
Total					18,450,000	18,450,000	18,450,000			
4 (0811414)	Pull Tab Ticket Vending Machines									
Other Funds					4,473,000	4,473,000	4,473,000			
Total					4,473,000	4,473,000	4,473,000			
5 (0811415)	Data Processing, Telecomms, and Related Equipment									
Other Funds					3,750,000	3,750,000	3,750,000			
Total					3,750,000	3,750,000	3,750,000			
6 (0811416)	Upgrade to Distributed Processing Model									
Other Funds					150,000	150,000	150,000			
Total					150,000	150,000	150,000			
7 (0811417)	Probability Games Implementation									
Other Funds					5,643,000	5,643,000	5,643,000			
Total					5,643,000	5,643,000	5,643,000			
TOTAL					37,091,000	37,091,000	37,091,000			